

24 September 1959

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9/24/59

MEMORANDUM FOR: Deputy Director of Security

SUBJECT : Revision of DCID 11/2

REFERENCE : Your Memorandum dated 10 September 1959; same subject

1. I have reviewed Draft No. 1 of the revision of DCID 11/2 and believe that the matter of defining intelligence contractors and the establishment of working agreements for use by them of USIB produced intelligence are matters falling under the purview of the USIB Committee on Documentation (CODIB). A statement to that effect may be included in the revision of DCID 11/2 but I see no purpose in outlining the procedures and defining the terms which should be developed by CODIB.

✓ 2. This office, in the past, has operated with the understanding that contractors, consultants and external research projects of a particular agency are a part of "the receiving Agency" as the term is used in E.O. 10501, Section 7 (c).

3. A problem has arisen in the Intelligence Components of the Departments of the Army, Navy and Air, because of the Industrial Security Regulations of the Department of Defense which prohibit the defense agencies from disseminating any classified information of another agency to a contractor unless the permission of the originator is first obtained. The reason for the CODIB "agreement" is to give the defense agencies the necessary permission to pass USIB agencies classified material in certain categories to certain types of contractors. There is presently no such limitation on CIA as we interpret E.O. 10501 for disseminating and using information or intelligence, except as provided for in DCID 11/2.

4. The CODIB in arriving at agreement concerning the dissemination and use of USIB produced classified material, must, of course, follow the principles established by E.O. 10501, departmental security regulations and DCID 11/2 which cover determination of "need-to-know", security clearances required, and control and use of material and information. I do not feel that blanket permission by the USIB members to release certain categories of USIB classified material to certain types of contractors is one of those "principles". The principle here is established by the Department of Defense Industrial Security Regulations that "permission" must be obtained from the originator before another agency's classified information is passed to a contractor. The CODIB agreement is merely a way of obtaining permission on a blanket basis.

5. As a compromise between the foregoing and the apparent feeling that contracting organizations should not be considered as a part of "the receiving agency" the following recommendation is made concerning specific changes in the draft.

a. Paragraph 1, page 1. A footnote 3 should be added after the words "receiving agency" and indicated at the bottom of the page substantially as follows: "3. For the purpose of this Directive, the term receiving agency includes employees, consultants, field stations (domestic and foreign), and reserve personnel on active duty; it does not include contractors and their personnel nor external research projects." In addition, the sentence beginning, "In order, however,, should read: "In order, however, for the Intelligence Community to discharge its responsibilities more effectively, each member agency may:

(1) Through its central processing facility, reproduce documents containing intelligence and intelligence information originally issued by another; and such information may be disclosed to other USIB agencies if the documents were otherwise generally made available to them. There are certain categories of documents which, because of classification and markings, may not be reproduced and disseminated under this provision. The Committee on Documentation of the USIB shall define for the Intelligence Community those categories.

(2) Make available certain classified intelligence and intelligence information and material to intelligence contractors¹ without referral to the originating agency, when such contracts are in direct support of the intelligence mission. The Committee on Documentation of the USIB shall define for the Intelligence Community those categories, "or related procedures".

Indicate footnote at bottom of page: "1. Intelligence contractors are defined as private organizations, institutions, or organized groups which, under a United States Government contract, are performing classified service of an intelligence nature in direct support of the intelligence mission of an agency or department member of the United States Intelligence Board."

As a result of the above, paragraph 12 should be omitted from the proposed revision.

b. Page 4 at the end of paragraph 6 add, "Such control stamps may be used only on documents bearing a defense information classification", or as an alternate in paragraph 7 insert the word "classified" after "of" and before "intelligence and intelligence information".

c. It is my opinion that the definitions of "intelligence information" and "finished intelligence" as shown on page 1, footnote 2, and page 4, footnote 1, should be reworded.

6. In view of the belief that the final approval of the proposed change to DCID 11/2 cannot be obtained in the immediate future, it is my intention as Chairman of CODIB to obtain and issue an interim agreement by CODIB regarding the release of another agencies' material to contractors so as to relieve the problem encountered as a result of the DOD Industrial Security Regulations.

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Central Reference